



Writ Petition No.27390 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED: 13.08.2025

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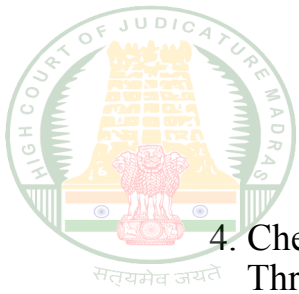
THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Writ Petition No.27390 of 2025
and W.M.P.Nos.30750 & 30751 of 2025

Air India SATS Airport Services Private Limited,
Having its Registered Office at
A-18, Street No.2, Mahipalpur,
New Delhi – 110 037 Through its Authorised Signatory,
Mr.Virendra Gupta
Email ID: virendra.gupta@aisats.in ...Petitioner

Vs

1. Union of India,
Through Ministry of Civil Aviation,
Represented by its Secretary,
Rajiv Gandhi Bhawan,
Block – B, Jor Bagh
Safdarjung Airport Area,
New Delhi – 110 003.
Email ID: uoidhc@gmail.com
2. Airports Authority of India,
Through the Airport Director,
Having its Corporate Headquarter at
Rajiv Gandhi Bhawan,
Safdarjung Airport,
New Delhi – 110 003,
Email: apdsap@aai.aero
3. Airport Authority of India – Southern Region,
Through Regional Executive Director,
Southern Region,
Having Regional Headquarter at
Anna International Airport,
Chennai – 600 027, Email ID: vomm.noc@aai.aero



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4. Chennai International Airport,
Through its Airport Director,
Great Southern Trunk Road,
Meenambakkam, Chennai,
Tamil Nadu – 600 027, India,
Email ID: apdchennai@aai.aero

... Respondents

Prayer: Writ petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorarified Mandamus, to call for the records of the respondent No.2 and 3, relating to Tender IS 2025_AAI_240128_1 dated 03 July 2025, and quash Clause 2.2.1(f) contained thereunder and consequentially direct respondent Nos.2 to 4 to receive, consider and evaluate the bid of the petitioner in accordance with the other conditions imposed in Tender IS 2025_AAI_240128_1 dated 03 July 2025.

For Petitioner : Mr.P.S.Raman,
Senior Counsel
for Mr.Thriyambak J.Kannan

For Respondent : Mr.S.Thiruvengadam [R1]

Mr.Arun C Mohan
assisted by Mr.K.Venkatesan [R2 to R4]

ORDER

This writ petition has been filed challenging Clause 2.2.1(f) of the tender issued by the second and third respondents dated 03.07.2025 and for a consequential direction to respondents 2 to 4 to receive,



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consider and evaluate the bid submitted by the petitioner in accordance with the conditions imposed in the tender.

2. Heard Mr.P.S.Raman, learned Senior Counsel for Mr.Thriyambak J.Kannan, learned counsel appearing for the petitioner, Mr.S.Thiruvengadam, learned counsel appearing for the first respondent and Mr.Arun C.Mohan, learned counsel appearing for the respondents 2 to 4.

3. The case of the petitioner is that they are globally recognized accredited Ground Handling Agency, currently providing ground handling services at five leading airports in India. Apart from that, the petitioner was also appointed for cargo handling services at Ranchi, Raipur and Thrivananthapuram.

4. The second and third respondents issued tender notification dated 03.07.2025. The petitioner is aggrieved by Clause 2.2.1(f) in the request for proposal. For better appreciation, the same is extracted hereunder:

“2.2.Eligibility of Bidders

2.2.1. For determining the eligibility of bidders



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(“Bidders”) for their qualification hereunder, the following shall apply:

(a)..

(b)....

(c)...

(d)....

(e)...

(f) No bidder shall be a scheduled or/and non-scheduled air carrier or any entity in which a scheduled air carrier or a non-scheduled carrier or its promoter(s) directly or indirectly holds any interest or is otherwise an Associate of a scheduled air carrier.”

5. The learned Senior Counsel appearing on behalf of the petitioner submitted that originally, Air India was owned, controlled and managed by the Government of India. Thereafter, Air India Limited entered the fold of the TATA Group of Companies following the disinvestment by the Government of India on 27.01.2022. The petitioner company was incorporated on 20.04.2010 and 50% of the shares are held by Air India Limited and the remaining 50% is held by SATS Limited.

6. The learned Senior Counsel brought to the notice of this Court the notification dated 26.10.2018 and placed specific reliance upon Regulation No.3(4). It provided 3 sources for ground handling agencies.



For better appreciation the relevant clause is extracted hereunder:

WEB COPY “3. Ground handling services at airports._ (1)...

(2)...

(3)...

(4) At the airport having annual passenger throughout of ten million passengers per annum or above, the airport operator shall ensure that there will be three ground handling agencies including that of, _ (a) the airport operator or its joint venture or its hundred percent owned subsidiary; (b) a joint venture or a subsidiary of the Air India; and (c) any other ground handling agencies appointed by the airport operator through a transparent bidding process.”

7. The learned Senior Counsel submitted that till Air India Limited was privatised, there was no problem in engaging the services of the petitioner as the ground handling agency, since the petitioner will fall under Clause (b). However, after the privatisation, the petitioner will have to now participate in the bid and hence, Clause (c) will apply. The petitioner was also making arrangements to participate in the bid.

8. The apprehension of the petitioner is that Clause 2.2.1(f) of

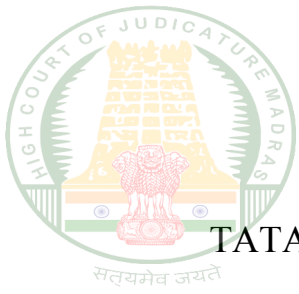


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the request for proposal gave an indication as if the petitioner may be treated as one in which, Air India holds an interest or the petitioner may be considered as an associate of Air India and therefore, the petitioner will be disqualified even from participating in the bid since it was incorporated as an eligibility for the bidders. Therefore, the petitioner has to necessarily challenge this clause.

9. The learned Senior Counsel submitted that the said clause is ultra vires of 2018 Regulations, which was replaced by 2023, Regulations. It was further submitted that such entry level barrier will violate Article 14 and Article 19(1)(g) of the Constitution of India. It was submitted that there was absolutely no clarity in the tender condition as to what it means by the terms 'holds any interest' or 'an associate'. Hence, there is no intelligible differentia and having nexus to the object that is now sought to be achieved by including this clause and since this clause is vague and not properly defined, it also suffers from arbitrariness.

10. The learned Senior Counsel submitted that just because the Chairman of TATA group and the Chairman of the petitioner company is the same and some of the directors of the company are the employees of the TATA group, that by itself will not give rise to a presumption that



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TATA group holds any interest in the petitioner company or that the petitioner is an associate of TATA group. The learned Senior Counsel submitted that the petitioner is an independent legal entity and the petitioner cannot be dislodged from participating in the bid by putting against the petitioner Clause 2.2.1(f).

11. *Per contra*, the learned counsel appearing on behalf of the second and third respondents submitted that the said clause was not included for the first time in the present tender and it has been included right from the year 2020 onwards and it has never been put to challenge. The learned counsel further submitted that such a clause was included in line with clause 3(1) of the 2023 regulations, which makes it clear that all domestic scheduled airline operators and domestic scheduled helicopter operators may carryout ground handling activities solely for the purpose of self-handling at all airports including civil enclaves. The learned counsel submitted that this clause was inserted to avoid preferential treatment and the learned counsel further submitted that earlier the petitioner was bringing themselves under Clause (b) and they have now crossed over to Clause (c) and therefore as an entity which wants to participate in the tender, they have to satisfy all the requirements



provided under the tender conditions.

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12. This Court after hearing both sides, passed the following order on 12.08.2025:

“Heard Mr.P.S.Raman, learned Senior counsel for the petitioner and Mr.Arun C Mohan, learned counsel appearing on behalf of the respondents 2 and 3.

2. *The crux of the issue that is involved in the present writ petition pertains to the interpretation of clause 2.2.1 (f) of the Request for proposal. The said clause uses two terms and they are :-*

- (a) directly or indirectly holds any interest*
- (b) is otherwise an Associate of scheduled air carrier*

3. *The learned Senior counsel appearing on behalf of the petitioner submitted that the petitioner does not suffer any disqualification under these two clauses since the petitioner is an independent entity in which Air India Limited has 50% share and SATS Limited has 50% shares. It was further submitted that there is no intelligible differentia in treating the petitioner like an alter ego of Air India Limited and there is no nexus with the object sought to be achieved, which is completely unclear on a plain reading of clause 2.2.1 (f).*

4. *The learned Standing counsel appearing for the respondents 2 and 3 shall submit his*



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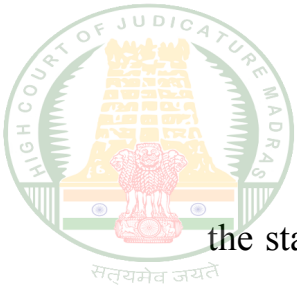
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reply arguments only on this issue.

5. *Post this case on 13.08.2025 at 2.15 p.m.”*

13. When the matter was taken up for hearing today, the learned counsel appearing on behalf of the second and third respondents, on instructions, submitted that the petitioner has filed the present writ petition on a mere apprehension that they will be stopped from participating in the bid and that no one prevented the petitioner from participating and submitting their bid. In other words, it is not as if the petitioner has been prevented even from submitting their bid to participate in the tender process. It was further submitted that the bid submitted by the petitioner will be considered strictly in line with the tender conditions and for the present, the petitioner is only assuming that their bid will be rejected and whereas, the second and third respondents are not approaching the bid with such preconceived notions.

14. In reply to the above submissions, the learned counsel for the petitioner submitted that the stand taken by the second and third respondents should be recorded and the petitioner should be permitted to submit their bid. The learned counsel further submitted that considering



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the stand that has been taken by the second and third respondents in this writ petition, clause 2.2.1(f) should not be put against the petitioner.

15. The learned counsel submitted that the petitioner will satisfy all the requirements as provided under the request for proposal.

16. The learned counsel appearing for the second and third respondents submitted that the petitioner is only raising an apprehension that Clause 2.2.1(f) will be put against them and no such decision has been taken by the second and third respondents. It was made clear that the bid will be considered strictly in line with the tender conditions.

17. In the light of the specific stand taken by the second and third respondents, it is not necessary for this Court to render any finding on the scope and ambit of Clause 2.2.1(f) of the tender condition. It is left open to the petitioner to submit their bid and the same shall be received by the second and third respondents and it will be dealt with strictly in line with the request for proposal.

18. This writ petition is disposed of in the above terms. No



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costs. Connected miscellaneous petitions are closed.

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Index : yes/No

Speaking order/Non-speaking order

Neutral citation:Yes/No

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N.ANAND VENKATESH, J

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